



**MORINAGA MILK Group aims to achieve sustainable management
while supporting kindergarten meals in Vietnam**

Smiles & Health for Children

**An initiative to improve the health and nutritional status of children
in cooperation with the international NGO World Vision Japan**

In May 2023, Morinaga Milk Industry Co., Ltd. and World Vision Japan (WVJ)^{*1}, an international NGO, launched Smiles & Health for Children ^{*2}. a program called to provide meals to kindergarten children in Vietnam as a part of the Tuan Giao Area Development Program, in the Tuan Giao District of Dien Bien Province in the Socialist Republic of Vietnam. The aim of the program is to contribute to efforts for improving the health and nutritional status of children.

◆Background of Smiles & Health for Children

Vietnam has experienced significant economic growth in recent years, but the gap between urban and rural areas has widened. The Tuan Giao District in Dien Bien province, which is located about 570 km northwest of Hanoi in a mountainous area, has a high poverty rate of 50%^{*3} along with a high proportion of children suffering from malnutrition. Many children cannot eat breakfast at home so the two daily meals provided at kindergartens are their main source of nutrition. The hygiene environment and nutritional knowledge of the kindergartens' cooking facilities present challenges that must be addressed. Improvement in both the hygiene and nutrition awareness is needed to improve the health and nutrition of the children.



View of the Tuan Giao District

Morinaga Milk aims to achieve a ratio of overseas sales of 15% or more by the end of the fiscal year 2029 as part of its 10-year vision for the Morinaga Milk Group. Vietnam is one of the countries where the company is focusing its business efforts on production and sales, as part of its 2030 Sustainability Medium-to-Long-Term Plan. One of the goals of this plan is to contribute to solving health and nutrition issues in the region by providing high-quality products unique to the Morinaga Milk Group. Over the next 10 years, this effort is expected to help improve the health of 300 million ^{*4} people.



Kindergarten cooking facility

This is the first time that the Morinaga Milk Group has carried out health and nutrition-related support

activities in Vietnam. In collaboration with WVJ, the group will participate in the Child Sponsorship Program (Area Development Program)^{*5} and enhance interaction while launching the new special program, Smiles & Health for Children, to improve the health and nutrition status of children.

*1 World Vision (WV), established in 1987, is the world's largest international NGO. It operates in about 100 countries and works for the betterment of children worldwide through three primary approaches: development assistance, emergency humanitarian assistance, and advocacy.

*2 Based on the Morinaga Milk slogan Forever Brighter Smiles and consultation with business partners in Vietnam, to symbolize the hearts and wellbeing of the local children.

*3 According to WVJ's survey in 2018.

*4 Refers to both the number of people estimated to receive goods that address health issues from fiscal 2021 to 2030 and the number of people expected to participate in health promotion and nutrition education activities provided by the program.

*5 Child Sponsorship Program is a program in which individuals or groups sponsor children in developing countries. The program addresses local issues such as water sanitation, health & nutrition, and education with the aim of creating an environment where children can grow up healthy.

◆ Main details of **Smiles & Health for Children**

Project Location: Tuan Giao Area Development Program site in the Tuan Giao District, Dien Bien Province, Socialist Republic of Vietnam

Number of kindergartens: 3

Beneficiaries: 100 children and 8 teachers

Overview:

Project Period: May 2023 to April 2024

1. Improvement of the meal service facilities

① Improvement of cooking facilities at kindergartens

② Provision of furniture (desks, chairs, etc.) and cooking equipment for use when eating meals

2. Improvement of knowledge and skills related to nutrition and hygiene

① Survey of the current menu and development of a nutritionally balanced menu using locally available ingredients

② Provide training on nutrition and hygiene to teachers, health and cooking staff

3. Strengthening the knowledge and skills of teachers and health staff in measuring the nutrition and health of children

① Implementation of training on measuring height and weight and nutrition monitoring

② Provision of tools (scales, height scales, recording boards) for monitoring children's nutrition and health status

③ Case studies and workshops on topics such as school lunch, nutrition, etc

◆ Relationship between the Morinaga Milk Group and Vietnam

- In 2010, Morinaga Milk started exporting formula milk to Vietnam through Le May Production, Trading and Service Company Limited (Le May), a local distributor in Vietnam.

- In June 2021, Elovi Vietnam Joint Stock Company (Elovi) became a wholly owned subsidiary to strengthen sales in the Vietnamese market. In November 2022, Elovi began local production and sales of Morinaga Milk Industry Co., Ltd. brand products
- In 2023, Morinaga Milk Industry Co., Ltd. established a joint venture company with Le May, Ltd. and signed a share transfer/underwriting agreement and a shareholder agreement with the aim of making Morinaga Le May Vietnam Joint Stock Company (Morinaga Le May) a subsidiary

◆ Sustainability Vision of Morinaga Milk Group

Based on the corporate slogan Forever Brighter Smiles, the group aims to provide both delicious and healthy food products while at the same time ensuring sustainable management. Doing so will enrich daily life, society, and the environment and continue bringing smiles to all people.

In order to promote activities to realize this sustainability vision, the group is carrying out activities based on the three themes of Food and Health, Resources and Environment, and People and Society.



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